

## SHORT NOTICE QUESTION AND ANSWER

## INTEREST AT HIGH RATE PAID BY PRIVATE FINANCIAL CORPORATIONS

18. SRI L. SRIKANTAI AH (Nanjangud).—

Will the Minister for Finance, Planning and Youth Welfare be pleased to state:—

(a) whether the Government is aware that many private financial Corporations like the Karnataka Finances, Canara Finances, etc are springing up of late with assurances of interest at 13 to 18 per cent on deposits ;

(b) whether these private Corporations will not affect the finances of the nationalised banks :

(c) whether Government would intervene to have supervision and control on all such private ventures when the Reserve Bank of India has absolutely no control over them ?

SRI RAMAKRISHNA HEGDE (Minister for Finance, Planning and Youth Welfare).—

(a) Yes.

(b) No.

(c) These partnership institution do not at present come under the control and supervision of the Reserve Bank of India. The matter is however, engaging the attention of Government and also of the Reserve Bank of India,

ಶ್ರೀ ಎಲ್. ಶ್ರೀಕಂಠಯ್ಯ:—ಸ್ವಾಮಿ ಖಾಸಗಿ ಆರ್ಥಿಕಸಹಾಯ ಸಂಸ್ಥೆಗಳಾದ ಕೆನರಾ ಫೈನಾನ್ಸಸ್, ಕರ್ನಾಟಕ ಫೈನಾನ್ಸಸ್ ಎನ್ನತಕ್ಕವುಗಳು ಏನಿದೆ ಇವು ಬ್ಯಾಂಕ್ ಆಧಾರ ಮನಿಲೆಂಡರ್ಸ್ ಆಕ್ಟಿನ ವ್ಯಾಪ್ತಿ ಯೊಳಗೆ ಬರುವುದಿಲ್ಲವೆ ? ಆ ಸಂಸ್ಥೆಗಳು ಬ್ಯಾಂಕಮನಿ ಓಡಾಟ ಮಾಡುತ್ತಿವೆ. ಈ ಸಂಸ್ಥೆಗಳಲ್ಲಿ ಮಂತ್ರಿಗಳು ಹೋಗಿ ಭಾಗವಹಿಸುತ್ತಾರೆ, ಇವುಗಳಿಂದ ಸಮಾಜಕ್ಕೆ, ದೇಶಕ್ಕೆ ಕ್ಷೇಮ ಲಭಿಸುತ್ತದೆಯೇ ?

SRI RAMAKRISHNA HEGDE:—Actually the Reserve Bank is contemplating to take suitable action so that the some sort of control is exercised on these Finance Corporations. It is unfortunate that large amounts of deposits are being collected without proper safeguard.

ಶ್ರೀ ಎಸ್. ಶಿವಪ್ಪ:—೧೮-೨೦ ಪರ್ಸೆಂಟ್ ಇಂಟರೆಸ್ಟ್ ಕೊಟ್ಟು ದೊಡ್ಡ ಪ್ರಮಾಣದಲ್ಲಿ ಆಕರ್ಷಣೆ ಮಾಡುತ್ತಿದ್ದಾರೆ, ಹಾಗಾದರೆ ಇದರಲ್ಲಿ ಧರ್ಮ ರತ್ನಾಕರ ಗೋಪಾಲ್‌ರಾವ್ ಅವರಂಥವರು ಯಾರಾದರೂ ಇದ್ದಾರೆಯೇ ?

ಶ್ರೀ ರಾಮಕೃಷ್ಣ ಹೆಗಡೆ:—ನನಗೆ ಗೊತ್ತಿಲ್ಲ.

**SRI R. G. WALLI:**—It is stated that these concerns are giving 13 to 18 per cent interest. Is there any limit fixed that they should not give excess interest? Again, to attract deposits, is Government thinking of giving a higher rate of interest on deposits, under small savings with Government?

**SRI RAMAKRISHNA HEGDE:**—So far as interest on deposits is concerned, Government does not have any authority to restrict it. It is the Reserve Bank that fixes the limit of interest payable on deposits, but so far as interest charged on loans issued by the Corporations are concerned, that comes under the purview of the Money-lenders Act where the rate of interest is limited.

**ಶ್ರೀ ಎಲ್. ಶ್ರೀಕಂಠಯ್ಯ:**—ಈ ಪ್ರೈವೇಟ್ ಫೈನಾನ್ಸಸ್ ಬಂದ ಮೇಲೆ ಇನ್‌ಕಂಟ್ರಾಕ್ಟ್ ಡಿಪಾರ್ಟ್‌ಮೆಂಟಿನವರು ಆ ಸಂಸ್ಥೆಯವರು ಎಷ್ಟು ಹಣವನ್ನು ಇನ್‌ವೆಸ್ಟ್ ಮಾಡಿದ್ದಾರೆ ಎಂದು ಇನ್‌ವೆಸ್ಟಿಗೇಷನ್ ಮಾಡಿಸಲಿಲ್ಲವೇ?

**SRI RAMAKRISHNA HEGDE:**—Income-Tax Department is not under my control.

#### QUESTIONS FOR ANSWERS ON THE DAY (BUT NOT TAKEN UP) RESOURCES COMMITTEE ON CAUVERY PROJECT.

616. **SRI H. M. CHANNABASAPPA**(Periyapatna):—

Will the Chief Minister be pleased to state:—

(a) whether Government has received the interim report of the Cauvery Project Resources Committee;

(b) if so, the quantum of savings mobilised by the Committee in consultation with the Ministers concerned

(c) the projectwise allotment proposed by the Committee;

(d) the Government's proposed allotment for the projects in Cauvery Basin for this year out of the mobilised resources?

**SRI VEERENDRA PATIL** (Chief Minister):—

(a) Yes.

(b) Savings

Rs. 1,089 lakhs

Minus

additions

Rs. 300 lakhs

---

789 lakhs

---